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E.O. 12958: DECL: 05/09/2018

TAGS: PGOV PREL BE

SUBJECT: IN BELGIAN POLITICS, CARPE DIEM MEANS SEIZE THE

DELAY: POLITICAL CRISIS AVERTED AGAIN

REF: BRUSSELS 684

Classified By: POL/ECONCOUNS RICHARD EASON. REASONS 1.4 (B) AND (D).

- 11. (SBU) Summary: After much concerted effort, the governing parties managed to avoid a political crisis over the redistricting of Brussels-Halle-Vilvoorde (ref). The extended maneuvers over B-H-V have tarnished the image of PM Leterme and caused leaders of the major parties to lose face, but they have bought additional time to reach agreement on redistricting and other pending institutional issues. In the meantime, the government coalition is holding, albeit tenuously. End Summary.
- 12. (SBU) On May 8, despite protest from opposition parties, the majority parties decided to delay discussion of B-H-V in the House until the 2008 budget bill had been discussed and adopted. Paty leaders turned to the B-H-V bill in the earl hours of May 9, where it was put on the aenda for discussion and a vote in plenary sesson. The procedural maneuvers began, with the Francophone parties immediately submitting amendments that must be forwarded to the Council of State for legal opinion. In addition, the Francophone members of the Brussels regional parliament submitted a "conflict of interest" motion which automatically starts a 120-day mandatory consultation period among the federal, regional and community governments.
- 13. (SBU) The real negotiations on Brussels-Halle-Vilvoorde and the other pending institutional issues will take place outside this procedural framework, however, and will be conducted informally among the Prime Minister, the Vice Premiers and the majority party presidents. Leterme has set a July 15 deadline to settle the issues, when he plans to make a formal statement to Parliament.
- 14. (C) Comment: PM Leterme has lost face in this umpteenth episode of the B-H-V saga, and political commentators are having a field day speculating about his ability to lead the government. But with much at stake for both Flemish and Francophone party leaders, who have already lost standing with their constituents, insiders have not ruled out a deal by mid-summer. As one observer noted, Belgian institutional reform deals have always resulted from a long, painstaking process, and this latest attempt is no exception.

FOX